

# THE METAMORPHOSIS OF UNEMPLOYMENT THROUGH THE PANDEMIC



**NC DEPARTMENT  
of COMMERCE**  
EMPLOYMENT SECURITY

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# Topics

- NC Unemployment Insurance  
*The Way We Were*
- A Perfect Storm
- Unemployment Insurance Evolution
- Work Force Role/Communication



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# Unemployment Insurance The Way We Were.....

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## UI Within the Career Centers

- Managing Expectations
- The Great Recession
- North Carolina House Bill 4





A satellite image of a hurricane serves as the background. Two concentric yellow circles are centered on the storm's eye. A solid yellow dot is placed at the center of these circles, directly over the eye of the hurricane.

Then the unthinkable happens...

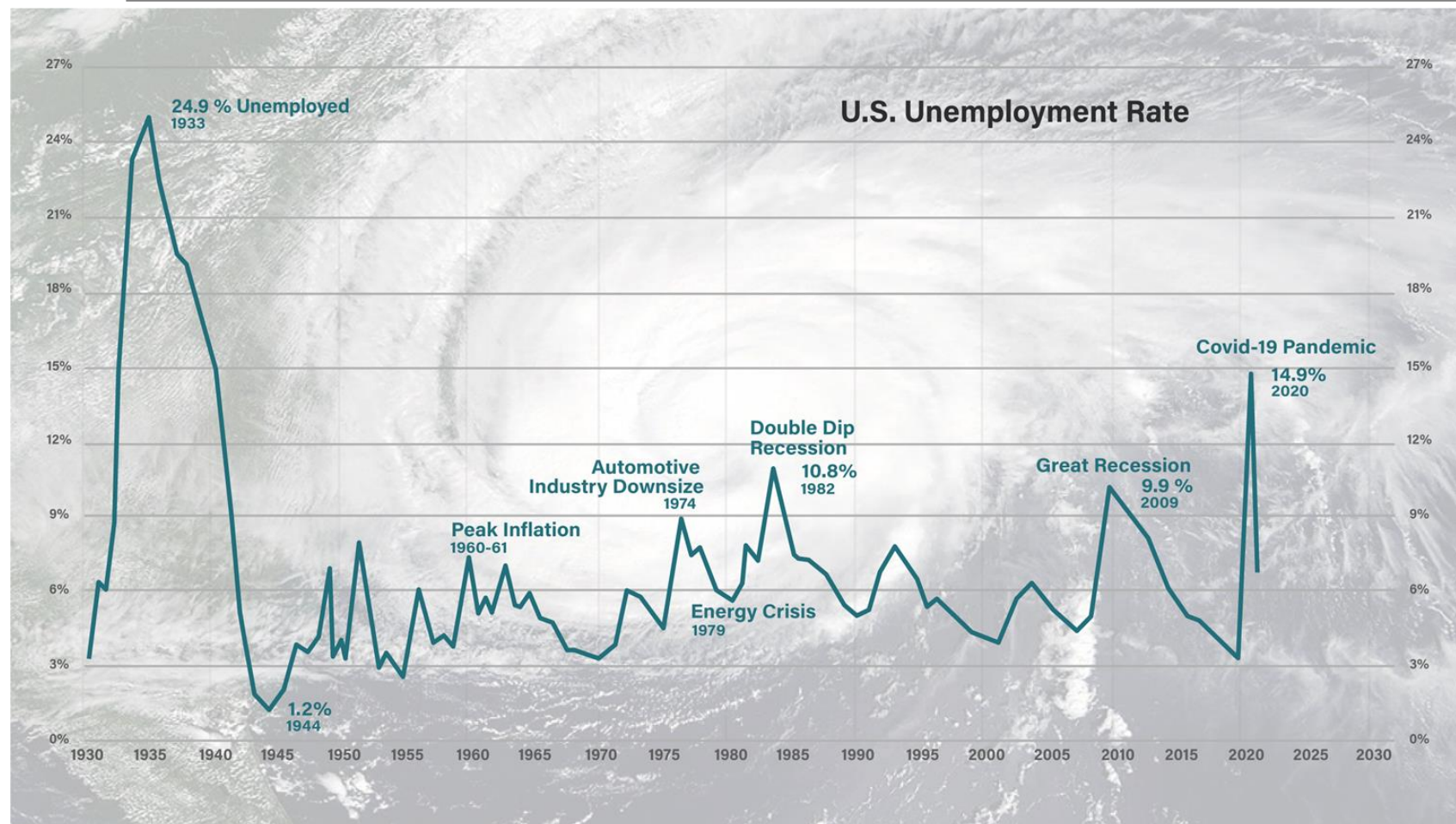
# The Perfect Storm

UI Disaster





# Historical Context: Unemployment Rates



Currently at just below pre-pandemic unemployment levels.

**July 2022: 3.5%**

# A Perfect Storm: COVID-19 Pandemic

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- **Impacts of the COVID-19 Pandemic in North Carolina:**
  - Company shutdowns as sickness, hospitalizations and deaths rise.
  - UI claims went from ~3,000 per week to 300,000 in the last two weeks of March. Over 3.8 million claims taken during the Pandemic.
  - 50,000 calls per month grew to upwards of 1 million calls per month.

# A Perfect Storm: Three New Federal Programs

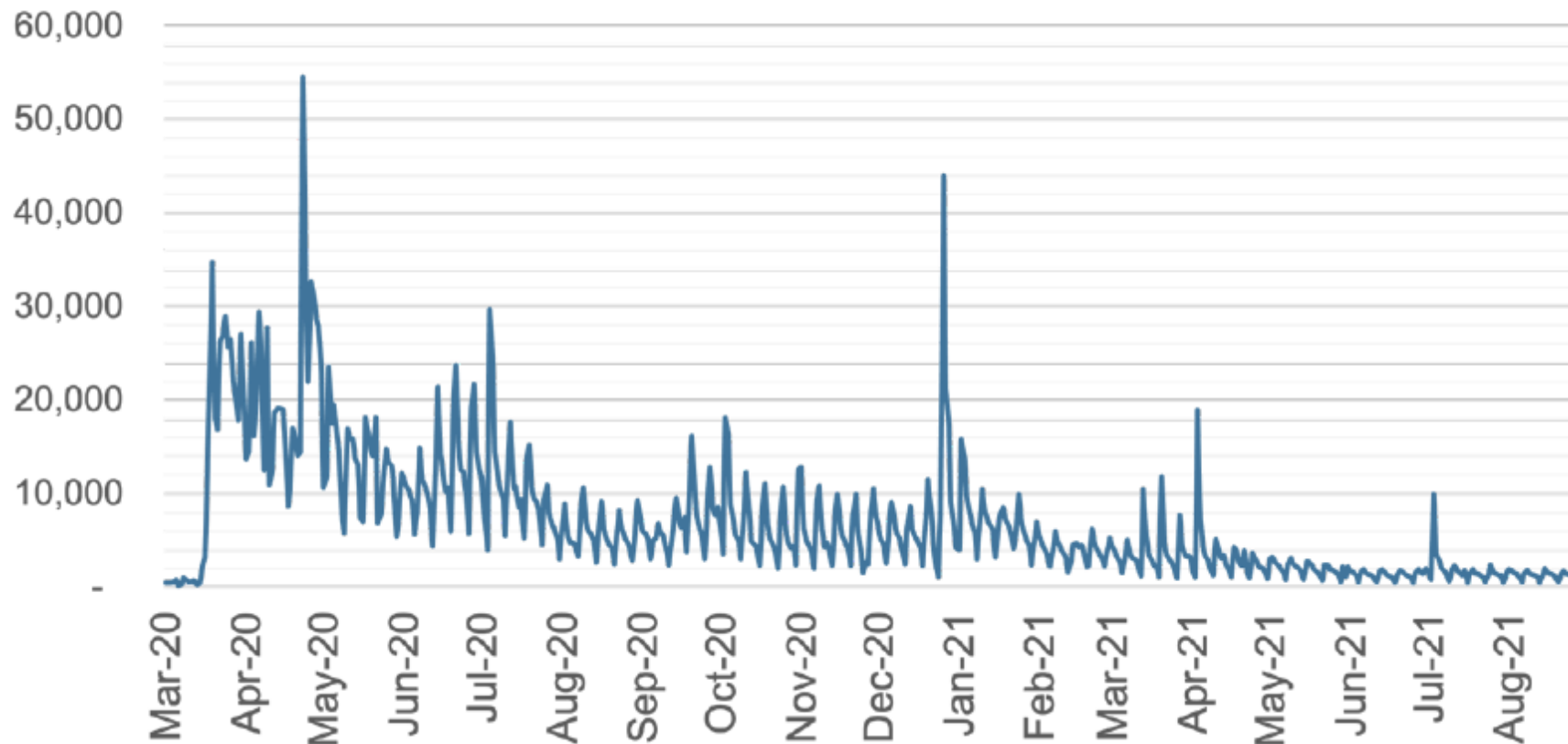
FPUC	PUA	PEUC
<ul style="list-style-type: none"><li>• Implemented April 2020</li><li>• NC Max WBA: Increased from \$350 to \$950</li><li>• Avg. Payout: \$800/week</li></ul>	<ul style="list-style-type: none"><li>• Implemented April 2020</li><li>• 54,000 claims on go-live day</li><li>• First of its kind program: self-attestation for the self-employed</li></ul>	<ul style="list-style-type: none"><li>• Implemented May 2020</li><li>• Increased use of program in NC due to 12-week duration of regular UI benefits</li></ul>

# A Perfect Storm: Surge in Unemployment Claims



**3.8M Claims Filed March 15, 2020 – September 10, 2021**

Claims Filed Per Day



The highest one-day total was 54,000 claims on April 24, 2020.



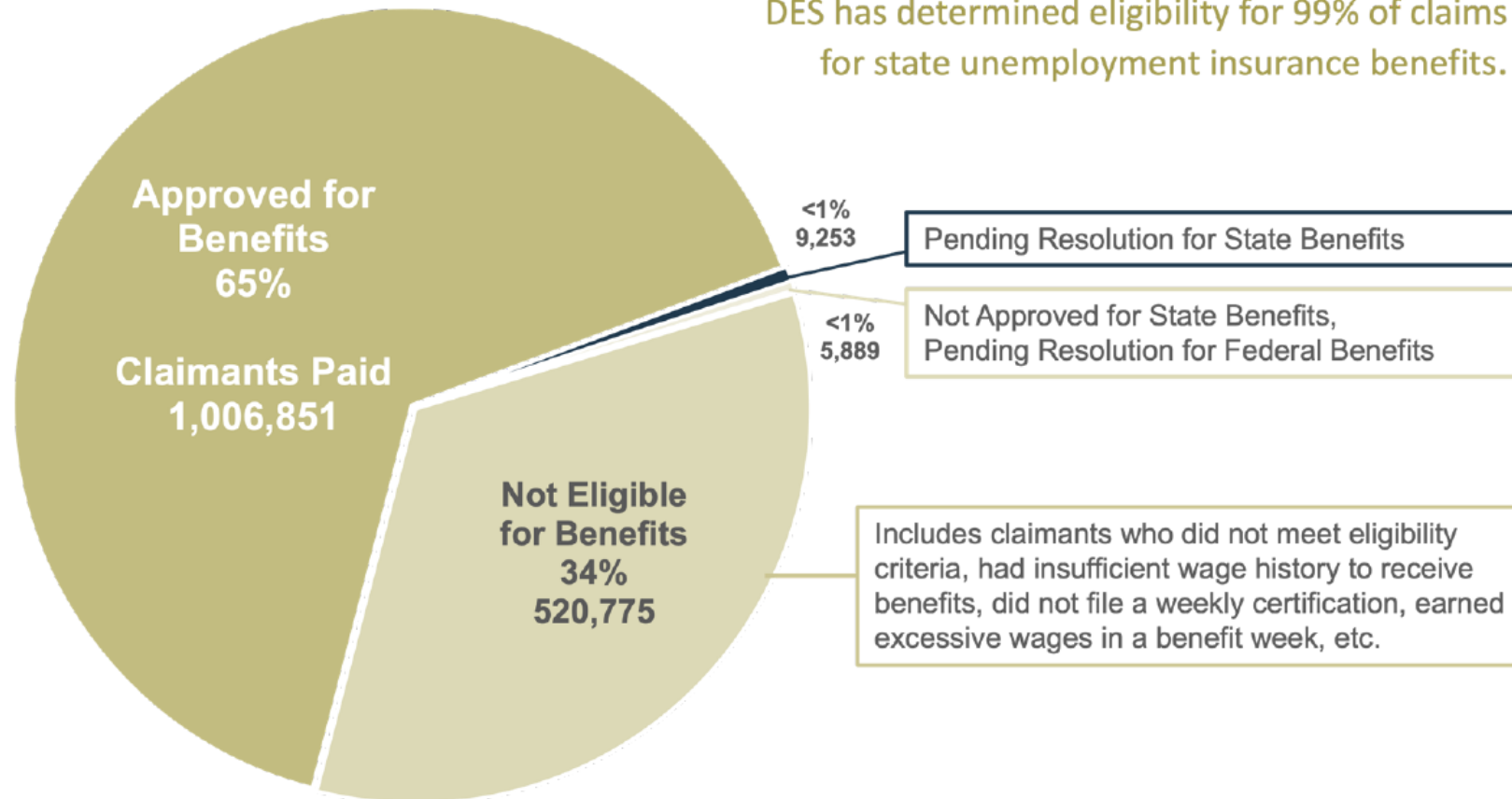
# A Perfect Storm: 1.5 Million Applied for Benefits in North Carolina During the Pandemic



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Number of people who applied for unemployment benefits March 15, 2020 – Sept. 9, 2021

DES has determined eligibility for 99% of claims for state unemployment insurance benefits.

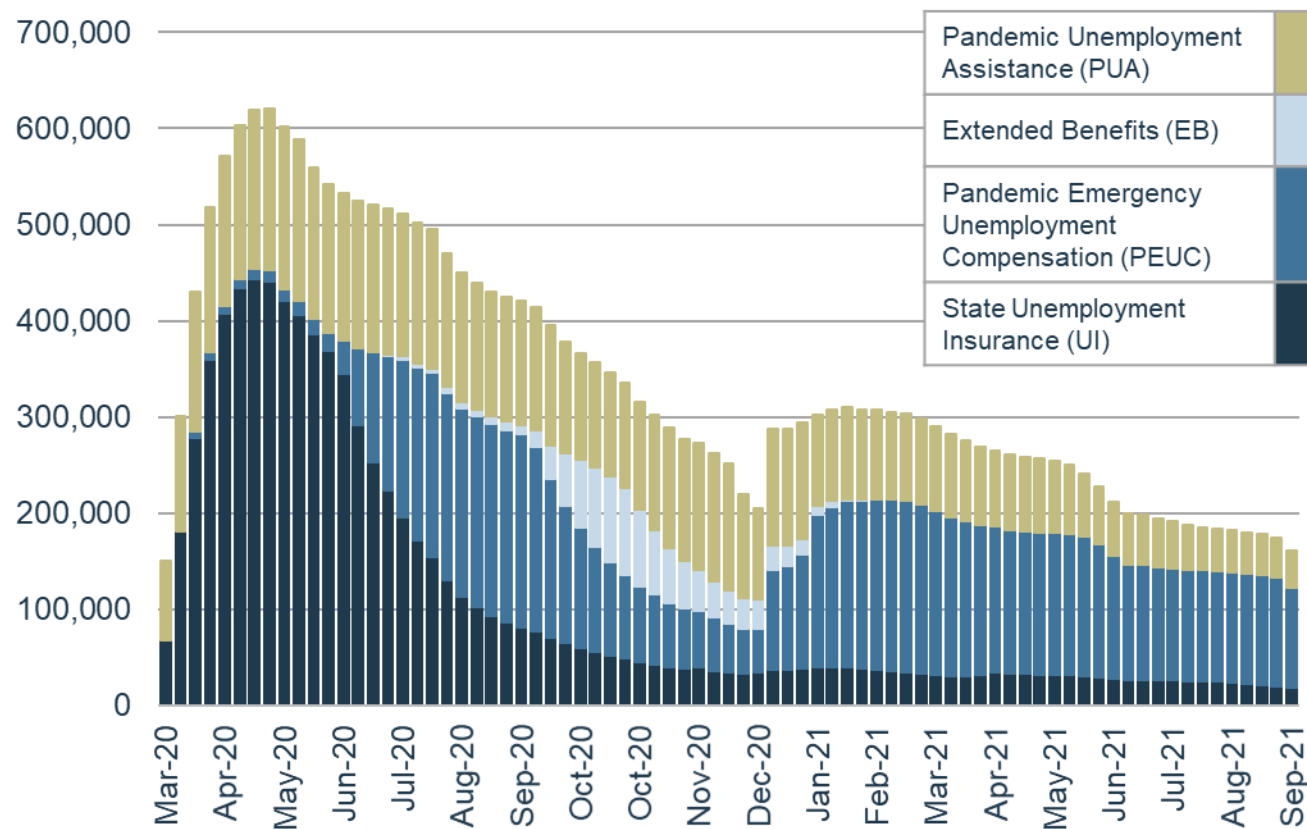


# A Perfect Storm: Paid \$14 Billion in Benefits to More than 1 Million People

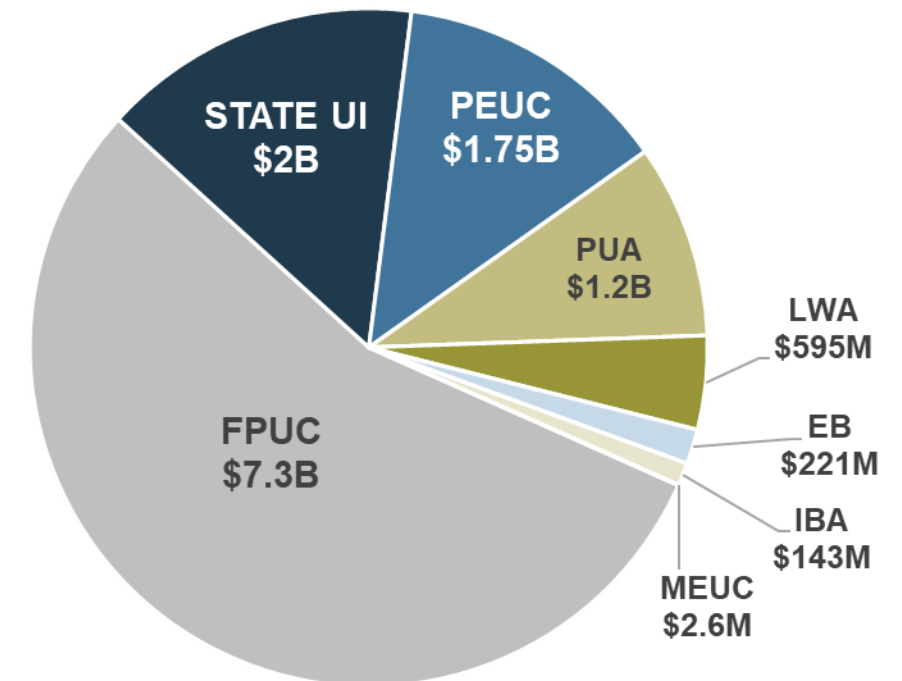


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Number of Claimants Paid by Benefit Week (4 Primary Programs)



Dollars Paid (All Programs)  
March 15, 2020 – Sept. 10, 2021



# A Perfect Storm: Many Contributing Factors

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- 9 state and federal unemployment programs to administer with different eligibility requirements and processes.
- Over 25% of NC's 4.6 million workforce filed for UI benefits. Majority first time filers.
- Issued more than \$14 billion in benefits to more than 1 million people.
- 171% increase in NC max benefit (\$350 - \$950/week).
- Went from 12 weeks of benefits to upwards of 72 weeks.

**Traditional solutions and processes were no longer adequate.**

# CHANGE WAS INEVITABLE







# Addressing Evolving Climate

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- **Keeping everyone in the loop**
  - New Asst. Secretary of Commerce over DES: Pryor Gibson.
  - Bi-Weekly meetings with Governor, daily meetings with Secretary of Commerce.
  - Daily meetings with Unit Supervisors to track and address issues.
  - Weekly meetings with partner agencies' staff.
  
- **Increased staffing. ~2,700\*\*staff working under DES by 4<sup>th</sup> quarter 2020:**
  - March 2020: Hired a call center vendor. 80 Call Center staff to over 1,800.
  - June 2020: Utilized staff from five other state agencies
    - Over 200 DWS staff stepped in to assist.
    - Recruited college interns.

# Addressing Evolving Climate Cont'd

- **Claim Status Updates:** Claimants can now get updates on the status of their claim online or by phone at any time. Since its launch in June, the online claims status tracker has been viewed more than 36,000,000 times.



An eligibility determination has been completed and payment should be released if there are no other pending issues. A copy of the determination will be available on your My Document page within 48 hours of the decision.

- **Live Chat:** Launched convenient option to connect with an agent online.
- **Identity Verification:** Validates and verifies that claimants are who they say they are.
- **Predictive Modeling:** 125 Fraud Detection Rules Automated in SCUBI; Cluster Modeling via SAS.
- **Daily meetings:** Transitioned to bi-monthly.
- **Remote Culture:** A new way of doing business.
- **Equity Grant:** Identify and address system barriers.

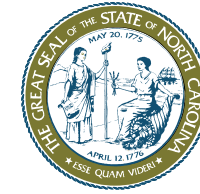
# WORKFORCE ROLE



# LET'S WORK TOGETHER

# Reemployment Services and Eligibility Assessment (RESEA)

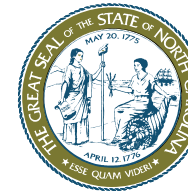
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- In 2005, the US Dept of Labor funded the UI Reemployment and Eligibility Assessment (REA) program to address individual reemployment needs of UI claimants. REA became Reemployment Services and Eligibility Assessment (RESEA) in 2015
- RESEA is a volunteer program and as of today 47 states, Puerto Rico, the District of Columbia, and the US Virgin Islands operate a program.
- RESEA is a UI program operated in conjunction with the Division of Workforce Solutions with a goal of reducing impact to the UI Trust Fund.





# Reemployment Services and Eligibility Assessment (RESEA) Cont'd

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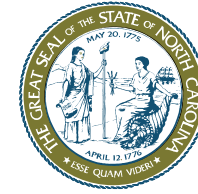
- In Fiscal Year (FY) 2018, amendments to the Social Security Act permanently authorized the RESEA program and implemented several significant changes including formula-based funding and a series of requirements intended to increase the use and availability of evidence-based reemployment interventions and strategies.

The permanent RESEA program has four purposes:

1. Reduce UI duration through improved employment outcomes
2. Strengthen UI program integrity
3. Promote alignment with the vision of the Workforce Innovation and Opportunity Act (WIOA)
4. Establish RESEA as an entry point to other workforce system partners

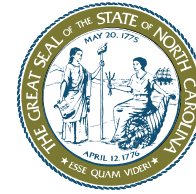
# Employment Assessment Interview (EAI)

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- The NC Employability Assessment Interview (EAI) is a state program that began in 2013 and is mirrored off the federal REA subsequently RESEA program.
- The EAI program was meant to work in conjunction with RESEA.
- EAI was created by DES due to the increased concern that during the Great Recession some claimants were able to file for 99 weeks without ever having to go into a local office and the potential for fraud.



# Program Comparison

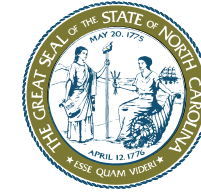
## RESEA

- A national program paid by federal funding.
- \$5.5 Million Fiscal Year 2022
- Participants are those who are deemed to be the hardest to gain reemployment.
- Provide in-depth services to improve the claimant's job readiness.

VS

## EAI

- EAI is a state operated program supported by DES budgeted funds.
- \$1 Million Budgeted.
- Participants of EAI are those who were not selected for RESEA.
- Less intensive than RESEA and tends to be quicker appointments.



# RESEA GROWING

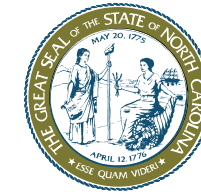
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For each fiscal year after FY 2020, States are required to implement RESEA interventions and service delivery strategies that have strong evidence to support that they work.

- States allowed use of a % of their budget to engage in intensive evaluations of their RESEA programs.
  - The evaluation is designed to provide evidence-based strategies that are shown to reduce UI benefit duration because of improved employment outcomes.
  - Actus Policy Research, LLC was selected, in March 2022, as the evaluator for North Carolina. (3-5YR Study)
  - By 2026 50% of State RESEA funding must be used on service delivery strategies showing a demonstrated capacity to improve employment and earnings outcomes for program participants.
  - Fiscal Year 2021 North Carolina received \$784,000 additional funding based upon criteria met.



# How to Assist Customers with Filing a UI Claim



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## Remember:

If a customer needs help filing a claim for unemployment insurance, do not turn them away. Follow these tips.

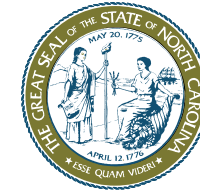
**Set realistic expectations about UI benefits.** Currently, benefits last three months, and weekly payments will most likely be less than half of their wages. On average, it can take two to six weeks to receive benefits.

**Encourage them to file their claim as soon as possible.** Inform them that the staff at the Career Center does not file or process UI claims.

**Inform the customer they can file a claim at [des.nc.gov](https://des.nc.gov).** Allow the customer to use Career Center phones or computers to file for UI benefits. You should not file the customer's claim for them. Take the opportunity to discuss computer literacy courses available at your Career Center.

**If they are having issues filing online or need language assistance, have them call us at 888.737.0259.**

# How to Assist Customers with Filing a UI Claim



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## Remember:

Now that we have made contact, how can we best serve our customers.

**Reinforce the importance of having a plan to regain employment.**

**Assist the customer with registering in NCWorks.** Remember they must have an active account to file for UI benefits.

**Discuss their career path and employment history.** Discuss training and employment opportunities.

**Use the DES brochure to assist the customer with questions about unemployment.** Remind them that UI benefits are not guaranteed and that they must meet statutory and eligibility requirements to receive benefits.

## START YOUR JOB SEARCH NOW!

Normally, it may take 2 to 6 weeks to determine your eligibility for UI. You still need to begin your job search today.

## JOB SEARCH HELP

Speak with a Career Center Advisor to develop your work search opportunities.

The NCWorks Career Centers are here to assist North Carolina's job seekers in finding rewarding careers. We invite you to learn more about their services and see for yourself how they can help you.

NCWorks.gov

A POWERED BY  
America's **JobCenter**

## To Get Help

### FILE FOR UI BENEFITS

Two ways to file:

Online: [des.nc.gov](https://des.nc.gov)  
Phone: 888.737.0259

### WEEKLY CERTIFICATION

You must complete a Weekly Certification each week to be considered for payment.

Online: [des.nc.gov](https://des.nc.gov)  
If you have difficulty filing, contact the Customer Call Center.

### CUSTOMER CALL CENTER

For questions regarding UI:

Phone: 888.737.0259  
Email: [des.ui.customerservice@nccommerce.com](mailto:des.ui.customerservice@nccommerce.com)

### APPEALS

File an appeal:  
Online: [des.nc.gov](https://des.nc.gov)  
Email: [des.public.appeals@nccommerce.com](mailto:des.public.appeals@nccommerce.com)

### APPEALS INQUIRY

Phone: 888.737.0259

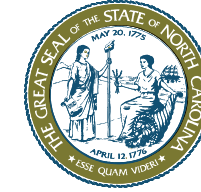


*Employment Security*  
COMMERCE

## NORTH CAROLINA Unemployment Insurance Guide



Revised 1/16/20



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## North Carolina Unemployment Insurance Guide

## WHAT YOU NEED TO KNOW ABOUT UI



When filing for Unemployment Insurance (UI) in NC, there are **four** things you must know:

1. In order to receive UI Benefits in NC, you must be registered for work with NCWorks Online ([ncworks.gov](http://ncworks.gov)).
2. Your local NCWorks Career Center staff cannot file a UI benefits claim for you.
3. The fastest and most efficient way to file is Online at [des.nc.gov](http://des.nc.gov).
4. If you have any problems filing your claim just give us a call at 888.737.0259.

### REMEMBER

UI benefits are there to help you when you lose your job, so you can get back to work. Be sure to look for work each week to stay eligible for benefits.

If you need help finding a job, your NCWorks Career Center is here to help!

## WHAT YOU NEED TO FILE

When you're ready to file your UI claim, be sure to have these things handy:

- The name and address of your last employer (Check your paystub for this info). If you don't see that employer listed when you file, you will need to add it manually.
- Your dates of employment.

## ELIGIBILITY

Once you file your claim for UI, you will get a Wage Transcript and Monetary Determination that shows your potential benefit amount you may be eligible for.

*In order to receive UI, you must be unemployed due to no fault of your own. The State of North Carolina will decide whether you qualify based on information provided by you and your last employer.*



*To receive UI, you must seek work and keep a record of your work search efforts.*

## RECEIVING UI BENEFITS

EACH WEEK YOU MUST:

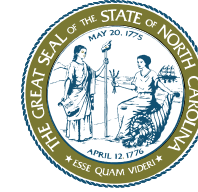
- Complete a weekly certification.
- Look for work each week (Please ask us how to document and ensure you have 3 verifiable employer contacts each week).
- Always report gross earnings or how much you earned (before taxes) during any week you worked.
- Be physically able to work.
- Be available to work.
- Report to your NCWorks Career Center when directed.



We are here to help you

For all questions or issues regarding UI  
call us at:  
**888.737.0259**  
or email us:

[des.ui.customerservice@nccommerce.com](mailto:des.ui.customerservice@nccommerce.com)

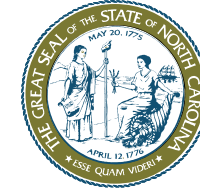


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## North Carolina Unemployment Insurance Guide



# Communication is Key



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When in doubt ...

Call us



**Claimant(s)**

888.737.0259

**Employer(s)**

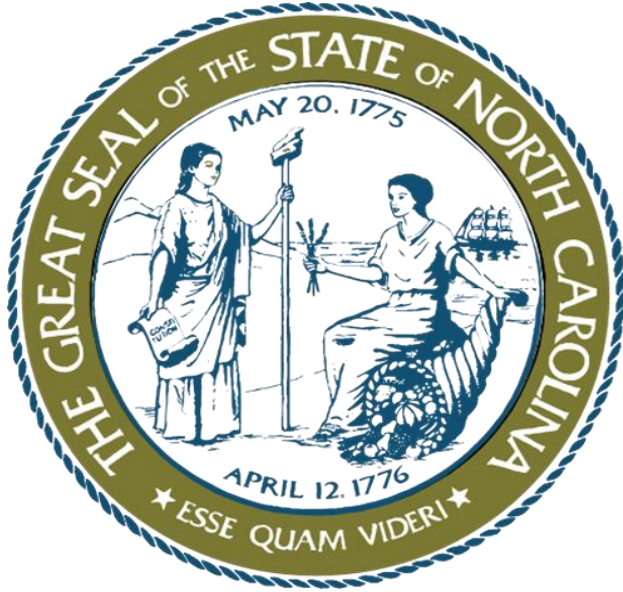
(919) 707.1150 or  
866.278.3822

When in need, escalate your claim issue to your DWS Regional Analyst or encourage the customer to call 1-888-737-0259.

Report potential issues to DES Adjudication via Claimant Inquiry Form. [esc.ui.adj@nccommerce.com](mailto:esc.ui.adj@nccommerce.com)

**Stay connected with your DWS Regional Analyst:**  
Analysts meet with Chief Deputy of Programs monthly and are updated on latest UI information.

**Promote Self-Service: CHANGING MINDSETS**



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